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Agenda item 8

DRAFT REPORT

Addendum

Rapporteur: Mrs. Sharon BRENNEN-HAYLOCK (Bahamas)

PROGRAMME QUESTIONS: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1998-1999 (item 4 (a))

Section 11A. Trade and development

1. At its 21st meeting, on 25 June 1997, the Committee considered section 11A, Trade and development, of the proposed programme budget for the biennium 1998-1999.

2. Many delegations reaffirmed the importance they attached to the role of the United Nations Conference on Trade and Development (UNCTAD) as the focal point within the United Nations for the integrated treatment of development and interrelated issues in the areas of trade, finance, technology, investment and sustainable development and reiterated their full support to the UNCTAD programme.

3. Many delegations expressed appreciation for the valuable contribution of UNCTAD in assisting developing countries in the process of globalization and their integration into the world economy.

4. Many delegations welcomed the efforts to streamline the structure of the UNCTAD secretariat and to refocus its programme of work in line with the outcome of the ninth session of the Conference. Many delegations expressed the view that the reform and restructuring of UNCTAD had been completed, with the decisions taken during the ninth session, held at Midrand in April 1996, and did not need any further streamlining. Those delegations were of the opinion that UNCTAD now needed to consolidate the implementation of its reformed structure

with the full support of Member States and should devote itself exclusively to the full implementation of its mandated activities. Some delegations expressed the view that the reform of UNCTAD was an ongoing process and looked forward to further streamlining of the organization. Several delegations expressed concern at the impact that the streamlining would have on its capacity to implement the programme of work. One delegation conveyed the belief that the reform efforts of UNCTAD would allow it to carry out its priority activities more effectively.

5. Some delegations considered that there should be a better balance between the resources proposed under the regular budget and the estimated extrabudgetary resources and expressed concern at the increasing reliance on extrabudgetary resources. Other delegations considered the current balance to be appropriate.

6. Many delegations were of the view that the proposed reductions in resources were too large and considered that this would jeopardize the execution of the work programme. Other delegations considered that the proposed level of resources was the minimum required to implement the programme of work. Some delegations welcomed the reduction in resources and felt that further reductions should be made, in particular for posts in the General Service category.

7. Several delegations emphasized the importance they attached to the activities under subprogramme 5, Least developed, landlocked and island developing countries. Some delegations were of the view that the programme of work should have better reflected references to small island developing States in accordance with programme 9 of the medium-term plan for the period 1998-2001 and emphasized the need to provide adequate resources for activities related to those States. Some other delegations expressed their continuing concern about the work of the subprogramme, to which they had agreed only reluctantly in the context of the discussion on the medium-term plan. They argued that the decision taken at the ninth session of UNCTAD to treat work on least developed, landlocked and island developing States as cross-cutting issues obviated the need for a separate subprogramme. Those delegations stressed that the Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries should focus solely on coordination and should not stray into programme activities. Many delegations pointed out that subprogramme 5 flowed directly from the consensus of the Member States reached under programme 9 of the medium-term plan. Those delegations, however, questioned the further depletion of resources for the subprogramme beyond the reductions made following the ninth session. They also referred to paragraph 13 of General Assembly resolution 50/103, entitled "Implementation of the Programme of Action for the Least Developed Countries for the 1990s", in which the Assembly recalled that at the end of the decade, a global review and appraisal of the implementation of the Programme of Action would be carried out, and called for effective implementation of activities under section 11A concerning that global review.

8. Many delegations expressed their strong support for the proposal to rechannel $1.4 million in savings to finance the participation of experts from developing countries in expert meetings of the commissions of UNCTAD and noted that even with this inclusion, the UNCTAD budget would show significant negative growth. Some delegations expressed opposition to that proposal. Many delegations regretted that the proposal had been rejected, while others maintained their opposition to that proposal.

9. Many delegations firmly stated that the UNCTAD Special Economic Unit for Assistance to the Palestinian People should continue its work undiminished.

Conclusions and recommendations

10. The Committee took note of the document entitled "Agreed conclusions and Chairman's summary" forwarded by the Chairman of the twenty-ninth session of the Working Party of the Trade and Development Board on the UNCTAD Budget and Medium-Term Plan.

11. The Committee decided to recommend to the General Assembly that it approve the programme narrative of section 11A, Trade and development, of the proposed programme budget for the biennium 1998-1999, with the following modifications:

(a) In the second sentence of paragraph 11A.46, the words "such as landlocked and small island developing countries" should be inserted after "certain developing countries";

(b) In paragraph 11A.60, the following subparagraph (d) should be added:

"(d) The capacity of island developing countries to alleviate special development constraints relating to the high transport costs will have been improved."